

## **KENTUCKY DEPARTMENT OF EDUCATION**

### **STAFF NOTE**

#### **Action/Discussion Item:**

Approval of Educational Management Organization (EMO) (Recommendation under separate cover)

#### **Applicable Statute or Regulation:**

KRS 160.346 (as amended by 2010 HB 176) and 703 KAR 5:180

#### **Action Question:**

Should the Kentucky Board of Education (KBE) give approval to additional Educational Management Organizations per KRS 160.346?

#### **History/Background:**

**Existing Policy.** KRS 160.346, states: “Each persistently low-achieving school shall engage in one (1) of the following intervention options: (a) External management option which requires that the day to day management of the school is transferred to an education management organization that may be a for-profit or nonprofit organization that has been selected by a local board of education from a list of management organizations. The management organization may be approved by the Kentucky Board of Education after a rigorous review process, which shall be developed by the state board by the promulgation of administrative regulations.” This process is described in 703 KAR 5:180. The management organization's authority shall include the right to make personnel decisions that comply with KRS Chapter 161 and any employee-employer bargained contract that is in effect.

702 KAR 5:180 requires the following qualifications for EMO applicants:

- (a) The ability of the EMO to staff the school with dynamic leadership with experience in turning around low-performing schools during the period of the contract;
- (b) The ability of the EMO to conduct a needs assessment in the school and develop a plan of action based on the needs assessment;
- (c) The ability of the EMO to deliver a comprehensive list of services designed to turnaround the school(s);
- (d) The ability of the EMO to screen staff and make decisions on staff assignments;
- (e) Its familiarity with Kentucky school laws and administrative regulations;
- (f) The experience of the EMO in turning around low-achieving schools;
- (g) References from other low-achieving schools or school districts supporting the EMO’s ability to turn around low-achieving schools;

- (h) Evidence by the EMO that its provision of services includes instructional leadership, professional learning support for teachers and other staff, and services to families and community stakeholders;
- (i) Evidence of the EMO's financial stability, any pending or threatened litigation, and liability insurance coverage.

The KDE received two (2) responses to the most recent Request for Information (RFI) (February 2011) seeking additional EMOs. 702 KAR 5:180 requires that at least one EMO be available for use by a district choosing the external management option. Currently, Alvarez and Marsal, now known as Matchbook Learning LLC, is the only EMO approved in Kentucky. This EMO was approved by the KBE in August 2010.

**Staff Recommendation(s) and Rationale(s):**

Staff are currently evaluating the two responses to the RFI and will be providing a recommendation under separate cover from the Agenda Book. In order to effectively implement all the intervention options in HB 176 it is necessary to build an approved list of EMO vendors.

**Impact on Getting to Proficiency:**

Low-achieving schools need options from which to choose when seeking to turn around the pattern of low academic achievement at these schools.

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**Commissioner of Education**

**Date:**

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